

# GOVERNOR JENNIFER M. GRANHOLM

## *2007 ACCOMPLISHMENTS*

Governor Jennifer M. Granholm continued her efforts this year to implement her detailed economic plan despite the fiscal challenges she was forced to overcome. The governor remained disciplined and unwavering in her push for a comprehensive solution to the state's budget crisis and for investment in the things that make Michigan competitive.

By working the economic plan, the Granholm administration continued to diversify the economy, create jobs, make college and health care affordable and accessible, and to protect our families and our quality of life.

### **I. Working the Plan**

The governor's plan to create a diverse, robust economy continued to set the state's agenda in 2007. The governor's plan focuses on creating jobs today and providing displaced workers with the training they need while targeting high-growth sectors, including life sciences and alternative energy, to diversify the economy. The pieces of this comprehensive plan are already at work for Michigan's economy:

- The \$2 billion 21<sup>st</sup> Century Jobs Fund and other economic development tools helped 163 job-creating high-tech and alternative energy companies start and expand. This year, the 21<sup>st</sup> Century Jobs Fund also made \$50 million in capital available to more than 500 businesses across the state through the newly-revived Capital Access Program.
- The Single Business Tax was replaced with Granholm's Michigan Business Tax, which makes the state's business tax more competitive, provides significant personal property tax relief, creates incentives for companies to locate and create jobs here, and gives tax breaks to 6 of out 10 Michigan companies.
- The governor continued her "go anywhere and do anything" approach to bring jobs to Michigan, making two more international investment missions in 2007. Her trips to Austria, Germany, and Sweden have resulted in six companies announcing additional investments in Michigan, so far, creating and retaining more than 1,000 jobs.
- In addition to traveling internationally, the governor made eight trips throughout the country, recruiting companies to come to Michigan. One of these trips, to Boston in July, resulted in Mascoma's announcement that they will locate the country's first cellulosic ethanol plant in northern Michigan.
- The governor's investment mission to Sweden also resulted in a historic partnership between Swedish-based Chemrec AB and NewPage Corporation to study the feasibility of producing biofuels at NewPage's Escanaba paper mill.
- The governor continued her efforts to make Michigan a leader in alternative energy this year. In addition to the NewPage and Mascoma announcements, Alleghany Technologies, Dowding Industries, Hemlock Semiconductor, Adaptive Technologies, and many other companies received state assistance to locate, expand, and create alternative energy jobs in Michigan.

- The Granholm administration made \$12 million in funding available to keep talented Pfizer workers, technologies, and assets here in Michigan following the company's latest downsizing announcement this year. Already, loans have been made to 17 companies committed to hiring 235 people. In 2003, Granholm took similar action, and that \$12 million investment resulted in 18 new companies who have hired 220 new employees, spurred more than \$100 million in investment and created 400 indirect jobs in the Kalamazoo area.
- In August, the governor launched her No Worker Left Behind initiative which provides up to two years of free tuition at any Michigan community college, university, or approved training program. Just three months into the program, nearly 7,800 citizens are enrolled in training, and community colleges are moving quickly to expand their programs for in-demand occupations.
- Granholm's MI Opportunity Partnership also continued to help unemployed workers connect with available jobs. In the second year of operation, more than 48,500 people were placed in jobs – exceeding the program's goal.
- The governor's successful Jobs, Education and Training Program (JET), which helps citizens get off public assistance and become self-sufficient, was expanded statewide in 2007. The program's pilot sites have been successful in reducing assistance caseloads and more than doubling the number of people in education and training programs.
- The governor's Local Jobs Today program provided \$282 million in funding for 267 local economic development projects, creating more than 5,000 jobs.
- Sixteen companies chose to locate or expand their headquarters in Michigan in 2007, including Spanish-based Aernnova and Kalexsyn, a company that grew out of the 2003 Pfizer retention fund.

## **II. Preparing All Students for Success**

Governor Granholm knows that the key to long-term economic strength is a well-educated, well-trained workforce. Over the last two years, the Granholm administration has taken huge steps toward the goal of having the nation's best-educated workforce, including mandating rigorous new high school standards, increasing funding for public schools, and creating a new \$4,000 scholarship for every child in Michigan who goes on to college or technical training. In 2007, the administration continued its push to implement these groundbreaking initiatives.

This spring, high school juniors took the first Michigan Merit Exam, an ACT-based test that will help every child understand that they are college material. And in September, the first class of high school freshmen started school knowing they will fully benefit from the new rigorous graduation requirements.

Despite severe budget challenges this year, Granholm was able to push education funding to an all-time high. In addition, for the first time, higher education funding is directly linked to the institutions' participation and graduation rates.

This fall, more than 33,000 students received the first Michigan Promise scholarships, and another 86,000 can complete two years of college or postsecondary training, knowing that \$4,000 is waiting for them when they are done.

Also this fall, five new revolutionary high schools opened. Working in partnership with local hospitals and health care providers, these “early college high schools” will keep at-risk kids in school and prepare them for a career in health care. In just five years, students can graduate with a high school diploma and an associates degree or equivalent certification.

### **III. Making Health Care Affordable and Accessible**

Governor Granholm continued her fight to make health care affordable and accessible for every person in Michigan. As a result of the administration’s on-going efforts to make health care accessible, Michigan now has the lowest rate of uninsured children in the country. (We’re tied with Hawaii for #1).

In addition, the administration’s efforts this year resulted in additional funding for the MI Choice waiver program which helps seniors receive the care they need to remain in their own homes; expanded screenings for newborns; and three additional federally qualified health centers expected to serve more than 30,000 patients.

Governor Granholm also proposed, and secured partial funding for, the Michigan Nursing Corps program to train more nurses. In addition, she signed legislation to allow nurses trained in Canada to practice in Michigan to help relieve the nursing shortage across our state.

In her 2007 State of the State Address, Governor Granholm recognized the critical role that technology plays in both improving the quality of health care and reducing its cost. This year, the Granholm administration announced nearly \$5 million in grants to create a statewide infrastructure for health information exchange, making Michigan the national leader in this effort.

### **IV. Protecting Our Families and Our Quality of Life**

The Granholm administration also continued its efforts to protect Michigan’s families and our outstanding quality of life. In 2007:

- The governor fought for and won funding for more than 300 additional workers to provide services to vulnerable families and help keep our children safe. Funding was also increased for foster parent recruitment and training to ensure that the state has enough safe, stable homes for children.
- The Department of Agriculture increased gas pump inspections by 25% to the highest level in more than a decade to ensure that citizens get the quantity and quality they pay for.
- The Department of Environmental Quality began issuing ballast water permits to ensure that our Great Lakes water is safe from invasive species often brought in by ocean-going vessels.

- The Department of Natural Resources and the Michigan State Police combined forces to battle the Sleeper Lake fire, the worst forest fire in Michigan in more than a decade. Thanks to their efforts no injuries resulted and no one lost their home in the two-month fire.
- The Michigan State Police (MSP) arrested more than 700 additional fugitives and 400 sex offenders during Project SAFE Streets and Operation Verify sweeps throughout the year. In addition, MSP teamed with local law enforcement in Flint to target drug and gang activity in the area. Together, their efforts resulted in the largest increase in overall arrests and seizures in the last decade.
- The Department of Transportation met its ten-year goal of having 90 percent of the state's major roadways in good condition. In 2007, 92 percent of roadways meet that standard.
- The Department of Corrections continued implementation of the Michigan Prisoner ReEntry Initiative designed to reduce recidivism in our prisons. The program has worked with more than 7,000 prisoners at pilot sites across the state and has reduced return-to-prison rates by 22 percent.
- Michigan's Safe Routes to School program, which was nationally recognized for excellence this year, has more than 250 elementary schools participating to help ensure that children are safe as they travel to and from school.

## **V. Reforming Government**

In her 2007 State of the State address, Governor Granholm said, "As we diversify and transform our economy, we must continually transform government, as well. Government must be lean but not mean." This year, the Granholm administration took significant steps to achieve that goal, including:

- As part of the 2008 budget agreement, Governor Granholm convinced the Legislature to enact a series of difficult reforms, including ending state employee "double dipping," requiring school districts to shop for competitive health care coverage, and encouraging healthy behaviors for Medicaid recipients.
- In 2007, the Granholm administration closed two prisons and two, prison camps, bringing the total number of closed facilities to 11 since 2002.
- The Department of Human Services continued on-going efforts to reform child protection programs, completely overhauling the state's computer tracking system. The new system takes a "One Family, One File" approach, combining multiple previous systems into one integrated, statewide program which will help workers quickly and effectively evaluate a family's situation, including the likelihood of violence or harm to the children. In addition, the new system provides additional tools to ensure that workers are complying with all requirements.

- Agencies and departments throughout state government are putting new technology to use to reduce costs and improve efficiency. The Department of Transportation has developed a new computer system to manage and track construction projects, saving more than \$28 million this year. The Department of Agriculture is using a new web-based system to manage lab analysis data. The new program is expected to save approximately 3,000 staff hours for lab analyses while speeding turnaround times.
- Governor Granholm issued a series of executive directives limiting hiring, purchasing, travel, subscriptions, and more in an effort to reduce state spending. The limitation on purchasing, alone, saved nearly \$38 million in 2007.
- The governor also eliminated the Department of Civil Service and issued executive orders consolidating the human resources, accounting, and internal audit units, each which were previously operated by separate departments of state government. In addition, the governor eliminated 37 additional boards and commissions this year. To date, the governor has eliminated 154 boards and commissions.
- The Department of Information Technology is working to consolidate hardware and application systems. In 2007, this effort allowed the state to close 21 separate facilities, saving the state more than \$9.5 million.